

C/007/033 Incoming

#4160

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RESOURCES

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AUG 27 2012
DIV. OF OIL, GAS & MINING

August 20, 2012

Mr. Steve Christensen
Utah Coal Program
Utah Division of Oil, Gas and Mining
1594 West North Temple – Suite 1210
Box 145801
Salt Lake City, UT 84114-5801

Re: C/007/0030 Wildcat Loadout
Response to Task ID No. 4142

Dear Mr. Christensen:

Intermountain Power Agency, is respectfully submitting three (3) copies of the response to the above referenced Task Id.

Enclosed, please find the requested responses as well as Forms C1 & C2.

If you have any questions or comments, please feel free to contact me at 435-636-0820.

Sincerely,

Kit Pappas
Manager of Environmental and Engineering Services

APPLICATION FOR COAL PERMIT PROCESSING

Permit Change ☒ New Permit ☐ Renewal ☐ Exploration ☐ Bond Release ☐ Transfer ☐

Permittee: INTERMOUNTAIN POWER AGENCY

Mine: WILDCAT LOADOUT

Permit Number: C\007\0033

Title: TASK ID #4142 MIDTERM PERMIT REVIEW

Description, Include reason for application and timing required to implement:

MIDTERM PERMIT REVIEW

Instructions: If you answer yes to any of the first eight questions, this application may require Public Notice publication.

- ☐ Yes ☒ No 1. Change in the size of the Permit Area? Acres: _____ Disturbed Area: _____ ☐ increase ☐ decrease.
- ☐ Yes ☒ No 2. Is the application submitted as a result of a Division Order? DO# _____
- ☐ Yes ☒ No 3. Does the application include operations outside a previously identified Cumulative Hydrologic Impact Area?
- ☐ Yes ☒ No 4. Does the application include operations in hydrologic basins other than as currently approved?
- ☐ Yes ☒ No 5. Does the application result from cancellation, reduction or increase of insurance or reclamation bond?
- ☐ Yes ☒ No 6. Does the application require or include public notice publication?
- ☐ Yes ☒ No 7. Does the application require or include ownership, control, right-of-entry, or compliance information?
- ☐ Yes ☒ No 8. Is proposed activity within 100 feet of a public road or cemetery or 300 feet of an occupied dwelling?
- ☐ Yes ☒ No 9. Is the application submitted as a result of a Violation? NOV # _____
- ☐ Yes ☒ No 10. Is the application submitted as a result of other laws or regulations or policies?

Explain: _____

- ☐ Yes ☒ No 11. Does the application affect the surface landowner or change the post mining land use?
- ☐ Yes ☒ No 12. Does the application require or include underground design or mine sequence and timing? (Modification of R2P2)
- ☐ Yes ☒ No 13. Does the application require or include collection and reporting of any baseline information?
- ☐ Yes ☒ No 14. Could the application have any effect on wildlife or vegetation outside the current disturbed area?
- ☐ Yes ☒ No 15. Does the application require or include soil removal, storage or placement?
- ☐ Yes ☒ No 16. Does the application require or include vegetation monitoring, removal or revegetation activities?
- ☐ Yes ☒ No 17. Does the application require or include construction, modification, or removal of surface facilities?
- ☐ Yes ☒ No 18. Does the application require or include water monitoring, sediment or drainage control measures?
- ☒ Yes ☐ No 19. Does the application require or include certified designs, maps or calculation?
- ☐ Yes ☒ No 20. Does the application require or include subsidence control or monitoring?
- ☐ Yes ☒ No 21. Have reclamation costs for bonding been provided?
- ☐ Yes ☒ No 22. Does the application involve a perennial stream, a stream buffer zone or discharges to a stream?
- ☐ Yes ☒ No 23. Does the application affect permits issued by other agencies or permits issued to other entities?
- ☐ Yes ☒ No 24. Does the application include confidential information and is it clearly marked and separated in the plan?

Please attach three (3) review copies of the application. If the mine is on or adjacent to Forest Service land please submit four (4) copies, thank you. (These numbers include a copy for the Price Field Office)

I hereby certify that I am a responsible official of the applicant and that the information contained in this application is true and correct to the best of my information and belief in all respects with the laws of Utah in reference to commitments, undertakings, and obligations, herein.

James A. Hewlett Gen. Mgr. 8-24-12 James A. Hewlett
Print Name Position Date Signature (Right-click above choose certify then have notary sign below)

Subscribed and sworn to before me this 24 day of August, 2012

Notary Public: Michelle R. Miller, state of Utah.

My commission Expires: 8/30/2015

Commission Number: 613249

Address: 10603 S. Riverfront Parkway

City: South Jordan State: UT Zip: 84095



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AUG 27 2012

DIV. OF OIL, GAS & MINING

Permittee:	INTERMOUNTAIN POWER AGENCY	Permit Number:	C\007\0033
Mine:	WILDCAT LOADOUT		
Title:	TASK ID #4142 MIDTERM PERMIT REVIEW		

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**WILDCAT LOADOUT
SEDIMENTATION AND DRAINAGE CONTROL PLAN**

1. Introduction

The Sedimentation and Drainage Control Plan for the Wildcat Loadout has been designed according to the State of Utah R645 - Coal Mining Rules, (revised August 1, 2001). This plan represents the proposed drainage control plan. All design criteria and construction has been certified by a Utah Registered Professional Engineer.

The entire drainage and control plan has been re-evaluated and updated for 2 main reasons:

- (1) To evaluate the adequacy and provide up-to-date calculations for existing drainage controls, and;
- (2) To provide an overall plan to accommodate the proposed modifications to the site.

The proposed changes to the site plan include the following:

- (1) A 1.59 acre area east of the Primary Coal Storage Area will be cleaned by vacuuming coal fines from the surface. No topsoil will be removed from this area;
- (2) A 3.84 acre area southeast of the Primary Coal Storage Area will be cleaned mechanically by removing coal fines and topsoil from the surface;
- (3) Existing Sediment Pond "B" will be eliminated and replaced with a new, larger Sediment Pond "G" located in the SE corner of the property at such time as it becomes necessary due to the inability to contain fines from potentially larger coal stockpiles: Refer to "RESPONSE TO DIVISION ORDER DO-04" in Appendix P
- (4) Topsoil removed from the mechanically cleaned area and new Sediment Pond "G" will be placed on the existing Topsoil Pile "A" located in ASCA-4 east of Sediment Pond "A";

- (5) **One small ASCA (ASCA-8) will be added for the outslope of new Sediment Pond "G".**

All existing and proposed structures are shown on updated Plates 1A and 2A.

The general surface water control plan for this site consists of the following:

- (1) **Wherever possible, undisturbed drainage is diverted around the site into natural channels;**
- (2) **The entire disturbed area (except the 8 small ASCA's) and portions of the undisturbed area not diverted, are drained to one of the 6 sediment ponds, permanent impoundment or depression area, via properly sized ditches and culverts;**
- (3) **There are 8 small Alternate Sediment Control Areas (A.S.C.A.). These areas are described in detail under Section 2.11.**
- (4) **All sediment ponds are sized to contain the runoff from a 10 year - 24 hour precipitation event, plus a minimum of 3 years sediment storage as described in Section 3 of this Appendix. The Permanent Impoundment and Depression Area are sized to contain the runoff from a 100 year - 6 hour precipitation event.**

APPENDIX P

RESPONSE TO DIVISION ORDER DO-04 WIND-BLOWN FINES ACCUMULATIONS

CONTENTS:

- 1) NARRATIVE
- 2) FIGURE 1, COAL FINES ACCUMULATION MAP
- 3) FIGURE 2, CLEANUP PROJECT AREA
- 4) FIGURE 3, INTERIM SEED MIX
- 5) FIGURE 4, SEDIMENT POND G DESIGN DETAIL
- 5) EXHIBIT 5, SOILS REPORT, JAMES NYENHUIS

APPENDIX P

RESPONSE TO DIVISION ORDER DO-04

WIND-BLOWN FINES ACCUMULATIONS

In 2004, the Division issued an Order DO-04 for wind-blown fines which had accumulated outside the disturbed area, primarily in the area southwest of the main coal storage pile below sediment Pond B. The primary source of these coal-fines is from proximity to the main coal storage pile, and from truck traffic on the perimeter road between the coal storage area and existing Sediment Pond B. The accumulation area is directly down-wind and down-gradient from these sources, and over the past 30 years of operations has experienced an obvious accumulation of coal fines. Although the coal-fines accumulation is generally contained within the existing permit area, there is concern for the underlying topsoil in the area, and additional concern that some of the accumulation is down-drainage from Pond B, and therefore is not being properly contained and treated from a hydrologic standpoint. To address the concerns raised by this Order, Permittee proposes the following plan of action:

1) Remove the deeper coal fines in the area of greatest accumulations around and below Pond B (denoted as "Mechanical Cleanup Area" on Plate 1A) by utilizing heavy equipment,

2) Salvage topsoil from the Pond B - Potential Pond G drainage area to prevent future soil contamination at such time as is necessary, additionally this area was disced and seeded in October 2010, and,

3) At such time as becomes necessary due to the inability to contain fines from potentially larger coal stockpiles, eliminate Pond B, and replace it by constructing a new Pond G located approximately 450' southeast of (i.e., down-drainage and down-wind from) Pond B.

4) Remove the shallow coal fines in the adjacent area, north of Pond B (denoted as "Vacuum Cleanup Area" on Plate 1A), by utilizing truck-mounted vacuum equipment,

5) Access road PR-5 will be graveled prior to coal trucks accessing the main stockpile loading area from the East side of the property, (i.e., by Primary Road PR-5).

6) Conduct future monitoring to assess the wind-blown fines situation at such time as becomes necessary.

7) Review of reclamation costs and bonding annually.

These items are discussed in greater detail in the following narrative:

1) Remove deeper coal fines: The area of greatest coal fines accumulations is generally shown on Plate 1A and is labeled "Mechanical Cleanup Area". Also, Figure 1 attached to this appendix shows the nature of the aerial extent of the accumulations. This exhibit was prepared by Environmental Industrial Services (E.I.S.) based upon on-site measurements. Prior to beginning any construction or clean-up activities in this area, "disturbed area" perimeter markers will be installed around the proposed construction site. The general area of interest is shown on Figure 2 of this appendix.

Prior to beginning any construction or clean-up activities in this area, "disturbed area" perimeter markers will be installed. Temporary sediment control measures will then be installed below the construction site. This will consist of installing a row of excelsior logs (filter logs) laid along the contour northwest side of the Trestle Road. The purpose of these filter logs is to prevent any sediment or coal fines from getting off the permit area while the area is being cleaned up, topsoil is being salvaged, and Pond G is being constructed.

Accumulated coal fines will be scraped up using an assortment of mechanical equipment such as a vacuum truck, grader, back-hoe and/or front end loader, down to the native soil. The equipment to be used will be selected so that the coal fines can be gathered up in a manner that minimizes the disturbance to the underlying topsoil. The coal-fines will then be hauled off to the main coal pile to be blended back into the coal sales product, or will be hauled to the mine refuse pile located on the west side of the loadout facility. The choice of where to dispose of the coal fines will be made by the loadout operators and will be made based on the quality of the collected material.

2) Salvage and stockpile topsoil: In July, 2003, a soils survey of the immediate area was conducted by James Nyenhuis. This report was incorporated into the MRP in May, 2006, appearing as a supplement to Appendix D. This report gives a complete description of the soils in this area, and is included in this appendix for ease of reference, as Exhibit 5.

After the coal fines have been cleaned up and removed from the site topsoil will be salvaged from the "mechanical cleanup area", as shown on Plate 1A. Care will be taken to avoid damage to the existing larger vegetation in this area (juniper-pinyon trees,

barrel cactus clusters, etc.) during topsoil salvage. A minimum of 6" of topsoil will be salvaged and stockpiled nearby as an extension of existing Topsoil Pile A. Topsoil will be salvaged in this area to allow for the construction of new Sediment Pond G, and to provide a measure of protection of the topsoil resource in the future in the likely event that this area sees additional deposits of wind and/or water-borne coal fines. The mechanical cleanup area involves approximately 3.84 acres. At a 6" salvage depth it is estimated that approximately 3097 cubic yards of topsoil will be gathered up. This will be stored as an extension of Topsoil Pile A. Pile A presently has an estimated volume of 440 cu. yds. Therefore, the expanded pile should have a total storage volume of about 3500 cu. yds. The new pile will be kept at the pre-existing height of about 6', and is estimated to be about 250' long x 70' wide when completed. There will be no topsoil removed in the area directly underneath the extended topsoil pile.

After the topsoil is salvaged from the "mechanical cleaning area" the area will then be roughened. The purpose of this roughening is to help minimize erosion, and also to help capture any additional wind-blown fines and prevent them from migrating down-gradient. This area was disced and seeded in October 2010.

3) If and when it becomes necessary to replace Pond B with Pond G due to the inability to contain windblown coal fines due to potentially larger coal stockpiles: After the coal fines have been cleaned up and the topsoil salvaged from the mechanical cleanup area a new sediment pond will be constructed. This new pond is to be called Pond G. Pond G will be located within the existing permit area immediately northwest of the Trestle Road, and down-drainage from the existing Pond B, as shown on Plates 1A and 2A. Pond G will essentially be a replacement for Pond B but will also treat the expanded cleanup area, based on a 10 year-24 hour precipitation event. The design details for Pond G are included in Appendix R (Sedimentation and Drainage Control Plan) and also on Plate 3G. This plate is also presented as Figure 4 of this appendix for ease of reference.

The embankment for Pond G will be constructed using native material, compacted in 18" lifts. It will have a 20' wide crest with a 3H-1V outslope and a 2H-1V in slope. The Pond will include a 24" CMP primary spillway equipped with an inverted oil skimmer, and a 24" CMP emergency spillway. After construction, the crest and outslopes of the pond embankment will be re-seeded for interim reclamation. A row of excelsior filter logs will be installed around the perimeter (toe) of the outslope of the dam

for interim sediment control.

4) Re-seeding:

After construction, the topsoil pile will be roughened and re-seeded with an approved interim reclamation seed mix as specified in Chapter 2 and Chapter 3. A copy of this seed mix is also included with this appendix as Figure 3 for ease of reference. The company will endeavor to utilize locally acquired seeds if possible. A retention berm and ditch will be constructed around the perimeter of the pile to prevent soil loss, and a row of excelsior filter logs will be installed around the perimeter to provide siltation control. The pile will also be equipped with an identification sign.

Establishment of vegetation on the topsoil piles at this site has previously required two seedings. Therefore, stabilization of the new expanded topsoil pile A will include the application of wood fiber hydromulch after or with seeding. Wood fiber mulch and tackifier application is an accepted practice that will protect the topsoil pile from slopes and will protect the soil from erosion during seed establishment.

The areas associated with and including the sediment pond G and the coal fines removal as shown on Plates 1A and 1B will be broadcast seeded using the interim seed mix described in Figure 3. Seeding will occur in the fall or as recommended by a DOGM biologist. The area immediately around the extended topsoil pile will not have topsoil removed, nor any coal fines removed, but this area will be disturbed simply by the movement of heavy equipment involved in constructing the topsoil pile. Therefore, after the pile is constructed, this area will be roughened and re-seeded in the approved manner similar to the topsoil pile and the coal fines removal area (a.k.a., "mechanical cleanup area").

According to the approved reclamation plan gouging is described as 18" deep x 2'-3' wide, spaced 6'-10' apart (Section R645-301-240). On such gentle slope, the gouges will serve less to control erosion and more to provide for water collection. The problems with creating gouges in this manner are that the gouges will be deeper than the replaced topsoil and the topsoil that is removed from the gouge becomes a mound adjacent to the gouge, with steep slopes that will not retain seed, and the gouge may expose compacted fill soil. Gouging will be used during operations to promote vegetation growth in the drop zone and to collect coal fines. This method will be alternated with ripping of the surface to a depth of 12" and both measures can be qualitatively evaluated for success at final reclamation.

Andalex commits to using the most effective roughening technique (either ripping or gouging) at final reclamation.

5) Remove shallow coal fines: Immediately to the north of the area of heaviest accumulations is another area targeted for cleanup. The coal fines accumulations are less in this area and it is felt that this area can adequately be cleaned up by utilizing a truck mounted vacuum system. This area is shown on Plate 1A (and also Figure 2) and is denoted as the "Vacuum Cleanup Area". It occupies approximately 1.59 acres. The area depicted is the general area proposed for cleaning, although the company will seek concurrence from the Division regarding the final area.

There are a number of juniper-pinyon trees growing in this area, and the use of vacuum equipment will allow this area to be cleaned without adversely affecting these trees. To the extent practicable, the vacuum truck will utilize the existing adjacent roadway and use a long extension hose for the cleanup so as to minimize the on-ground disturbance. Because the accumulations are less in this area there are no plans to remove or salvage any topsoil after the coal fines have been cleaned up. Coal cleanup material vacuumed up from this area will be taken to the main coal storage area for re-sale, or will be taken to the coal refuse pile, depending on quality.

Input from Division representatives will be requested to make certain that the area targeted for vacuum cleanup is concurred with. Prior to doing any cleaning in this area, "disturbed area" perimeter markers will be installed around the proposed cleanup area. Although the area will not technically be considered "disturbed" for the purpose of sedimentation and drainage control or final reclamation, it will nevertheless be somewhat disturbed by the vacuum operation.

6) Gravel a portion of access road PR-5 at such time as the construction of Pond G becomes necessary: Access road PR-5 runs between the main coal storage pile area and the coal-fines accumulation area, as shown on Plate 1A and Figure 2. PR-5 was originally constructed as a low volume road to provide thru-access around the base of the coal storage pad. As such it was constructed on the native Mancos Shale material existing in the area, and was never graveled. Subsequently, new sales contracts required that semi-trucks utilize this road to gain access to the coal storage pad where they could then be loaded with a front-end loader. This heavier truck traffic on this road has contributed to the wind-blown fines situation. Therefore, the company proposes to gravel a 570' segment of this road, including the ramp up onto the coal storage pile, at such time as it becomes

necessary to utilize this road for additional coal storage, which is utilized by the larger trucks needing access the coal pad. The segment of road to be graveled is shown on Plate 1A. Once the graveled road is in operation, it will be watered as needed in the future to control fugitive dust emissions.

7) Conduct future monitoring of wind-blown fines: After the cleanup is completed and the construction is finished, the company will continue with an operational monitoring plan for the area. This will consist quarterly inspection of the area to assess the amounts of future coal-fines accumulation, augmented by digital photography. Monitoring results are included in the annual report. The general approach of monitoring (depth assessment and location on a map) will be stated in the annual report.

8) Bonding: At present (July, 2010) the Wildcat reclamation bond is posted in the amount of \$1,144,000. This bond was re-adjusted in December 2007. Under the DO-04 cleanup plan there will be no additional demolition cost during final reclamation. The earthwork regrading costs will cancel out because Pond B is being replaced by Pond G. There will be slightly higher topsoiling costs and re-vegetation costs due to the additional disturbed acreage associated the cleanup plan. The existing disturbed area is 66.91 acres; the estimated disturbed area after implementation of the plan will be 73.26 acres, or an increase of 6.35 acres. Using the presently approved reclamation costs, the additional costs are computed as follows:

1) Topsoil: $\$15,013/66.91 \text{ ac} = \$224/\text{acre}$
 $\$224/\text{acre} \times 6.35 \text{ acres} = \1422

2) Reveg: $\$359,746/66.91 \text{ ac} = \$5377/\text{acre}$
 $\$5377/\text{acre} \times 6.35 \text{ acres} = \$34,141$

Total reclamation cost increase = $\$1422 + \$34,141 = \$35,563$

Percent increase $(\$1,144,000 + \$34,141)/\$1,144,000 = 1.028$

Therefore, implementation of the cleanup plan is estimated to increase the reclamation costs by less than 3% of the posted bond.

9) Construction Schedule: Construction will not begin until it is determined to be necessary.

Demolition Costs

[illegible]

- 1) Assume 8 hours per workday
- 2) Assume 15 Truck loads hauled per day at 32 minutes per trip (4 cycles per load)